

## **STATEMENT OF PURPOSE**

### **RS19140**

Prior to 2001, language in Idaho Code 28-9-310 of the Uniform Commercial Code (UCC) exempted the Department of Lands from filing requirements to perfect the state's interest in timber sold under contract from state endowment lands. It was recently discovered that this exemption was inadvertently lost when the UCC was overhauled in 2001. Therefore, this proposed legislation would amend Idaho Code 28-9-310(b) to reinstate the exemption that the Department of Lands previously had, and which was inadvertently eliminated when the UCC was overhauled in 2001.

### **FISCAL NOTE**

The Department of Lands sells approximately 80 timber sales per year and manages 150 to 200 active timber sale contracts at any one time. Reinstating this UCC filing exemption would eliminate 320 to 400 hours of personnel time spent on filing and managing UCC filings on approximately 150 to 200 timber sale contracts each year. This would save about \$8,000 to \$10,000 in personnel cost per year from the Earnings Reserve Fund.

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